



HEALTH ANNUAL STATEMENT  
FOR THE YEAR ENDING DECEMBER 31, 2004  
OF THE CONDITION AND AFFAIRS OF THE

Health Alliance Plan of Michigan

NAIC Group Code	1311	1311	NAIC Company Code	95844	Employer's ID Number	38-2242827
	(Current Period)	(Prior Period)				
Organized under the Laws of	Michigan			State of Domicile or Port of Entry	Michigan	
Country of Domicile	United States of America					
Licensed as business type:	Life, Accident & Health [ ]		Property/Casualty [ ]		Dental Service Corporation [ ]	
	Vision Service Corporation [ ]		Other [ ]		Health Maintenance Organization [ X ]	
	Hospital, Medical & Dental Service or Indemnity [ ]				Is HMO, Federally Qualified? Yes [ X ] No [ ]	
Incorporated	06/27/1978		Commenced Business	02/08/1979		
Statutory Home Office	2850 West Grand Boulevard			Detroit, MI 48202		
	(Street and Number)			(City or Town, State and Zip Code)		
Main Administrative Office	2850 West Grand Boulevard					
	Detroit, MI 48202			313-872-8100		
	(City or Town, State and Zip Code)			(Area Code) (Telephone Number)		
Mail Address	2850 West Grand Boulevard			Detroit, MI 48202		
	(Street and Number or P.O. Box)			(City or Town, State and Zip Code)		
Primary Location of Books and Records	2850 West Grand Boulevard					
	Detroit, MI 48202			248-443-1093		
	(City or Town, State and Zip Code)			(Area Code) (Telephone Number)		
Internet Website Address	www.hap.org					
Statutory Statement Contact	Diana Ronan CPA			248-443-1093		
	(Name)			(Area Code) (Telephone Number) (Extension)		
	Dronan@hap.org			248-443-8610		
	(E-mail Address)			(FAX Number)		
Policyowner Relations Contact	2850 West Grand Boulevard					
	Detroit, MI 48202			313-872-8100		
	(City or Town, State and Zip Code)			(Area Code) (Telephone Number) (Extension)		

OFFICERS

Name	Title	Name	Title
Francine Parker	President and CEO	Maurice E. McMurray	Secretary
Ronald W. Berry	Treasurer	Deborah Tasich-Withrow	Assistant Secretary

OTHER OFFICERS

DIRECTORS OR TRUSTEES

Nicholas C. Anderson	Donald W. Boggs	Mary Beth Bolton M.D.	Herman W. Coleman
Dennis H. DePaulis	Mary C. Dickson	John T. Gargaro	Jethro Joseph
Francine Parker #	William L. Peirce	Carol Quigley IHM	Catherine A. Roberts
Robin Scales-Wooten #	Nancy Schlichting	Gerald K. Smith	Rebecca R. Smith M.D. #
Daniel Watson #			

State of .....Michigan.....

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County of .....Wayne.....

The officers of this reporting entity, being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

Francine Parker  
President and CEO

Maurice E. McMurray  
Secretary

Ronald W. Berry  
Treasurer

Subscribed and sworn to before me this  
28th day of February, 2004

- a. Is this an original filing? Yes [ X ] No [ ]  
b. If no,  
1. State the amendment number  
2. Date filed  
3. Number of pages attached

Roderick T Curry CPA  
Notary  
August 14 2006

## ANNUAL STATEMENT FOR THE YEAR 2004 OF THE Health Alliance Plan of Michigan

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[illegible]

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## EXHIBIT 7 PART 1- SUMMARY OF TRANSACTIONS WITH PROVIDERS

## **EXHIBIT 7 - PART 2 - SUMMARY OF TRANSACTIONS WITH INTERMEDIARIES**

1	2	3	4	5	6
NAIC Code	Name of Intermediary	Capitation Paid	Average Monthly Capitation	Intermediary's Total Adjusted Capital	Intermediary's Authorized Control Level RBC
NONE					
9999999 Totals			XXX	XXX	XXX

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EXHIBIT 8 – FURNITURE, EQUIPMENT AND SUPPLIES OWNED

	1	2	3	4	5	6
Description	Cost	Improvements	Accumulated Depreciation	Book Value Less Encumbrances	Assets Not Admitted	Net Admitted Assets
1. Administrative furniture and equipment .....	7,774,594		5,349,340	2,425,255	2,425,255	
2. Medical furniture, equipment and fixtures .....						
3. Pharmaceuticals and surgical supplies .....						
4. Durable medical equipment .....						
5. Other property and equipment						
6. Total	7,774,594	0	5,349,340	2,425,255	2,425,255	0





ANNUAL STATEMENT FOR THE YEAR 2004 OF THE  
Health Alliance Plan of Michigan

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION (a)

REPORT FOR: 1. CORPORATION Health Alliance Plan of Michigan 2. Detroit, Michigan (LOCATION)

NAIC Group Code		1311		BUSINESS IN THE STATE OF Michigan		DURING THE YEAR 2004						NAIC Company Code		95844	
		1	Comprehensive (Hospital & Medical)		4	5	6	7	8	9	10	11	12	13	
			2	3											
		Total	Individual	Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Stop Loss	Disability Income	Long-Term Care	Other	
Total Members at end of:															
1.	Prior Year .....	471,150	6,060	429,775	20,998				14,317						
2.	First Quarter .....	465,030	5,891	423,485	21,324				14,330						
3.	Second Quarter .....	463,245	5,687	421,111	21,405				15,042						
4.	Third Quarter .....	461,929	5,747	419,087	21,762				15,333						
5.	Current Year .....	460,919	5,646	416,255	23,463				15,555						
6.	Current Year Member Months	5,561,745	69,400	5,050,295	262,799				179,251						
Total Member Ambulatory Encounters for Year:															
7.	Physician .....	1,709,851												1,709,851	
8.	Non-Physician .....	861,818												861,818	
9.	Total	2,571,669	0	0	0	0	0	0	0	0	0	0	0	2,571,669	
10.	Hospital Patient Days Incurred	169,753		96,327	44,368				27,422					1,636	
11.	Number of Inpatient Admissions	38,186		24,885	7,707				5,131					463	
12.	Health Premiums Written.....	1,435,214,629	14,906,044	1,126,636,344	92,365,127			72,427,163	128,879,951						
13.	Life Premiums Direct .....	0													
14.	Property/Casualty Premiums Written.....	0													
15.	Health Premiums Earned.....	1,442,031,879	14,190,480	1,123,849,103	92,365,127			73,075,300	138,551,869						
16.	Property/Casualty Premiums Earned.....	0													
17.	Amount Paid for Provision of Health Care Services .....	1,282,365,004	12,661,395	1,002,749,535	80,158,369			66,096,109	120,739,910	(40,314)					
18.	Amount Incurred for Provision of Health Care Services	1,300,059,561	12,869,271	1,019,212,815	80,140,962			65,919,008	121,917,505						

(a) For health business: number of persons insured under PPO managed care products \_\_\_\_\_ and number of persons under indemnity only products \_\_\_\_\_

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ANNUAL STATEMENT FOR THE YEAR 2004 OF THE  
Health Alliance Plan of Michigan

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION (a)

REPORT FOR: 1. CORPORATION

2. \_\_\_\_\_

NAIC Group Code	1311	BUSINESS IN THE STATE OF Consolidated			DURING THE YEAR 2004								NAIC Company Code		95844
	1	Comprehensive (Hospital & Medical)		4	5	6	7	8	9	10	11	12	13		
		2	3												
	Total	Individual	Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Stop Loss	Disability Income	Long-Term Care	Other		
<b>Total Members at end of:</b>															
1. Prior Year .....	471,150	6,060	429,775	20,998	0	0	0	14,317	0	0	0	0	0		
2. First Quarter .....	465,030	5,891	423,485	21,324	0	0	0	14,330	0	0	0	0	0		
3. Second Quarter .....	463,245	5,687	421,111	21,405	0	0	0	15,042	0	0	0	0	0		
4. Third Quarter .....	461,929	5,747	419,087	21,762	0	0	0	15,333	0	0	0	0	0		
5. Current Year .....	460,919	5,646	416,255	23,463	0	0	0	15,555	0	0	0	0	0		
6. Current Year Member Months	5,561,745	69,400	5,050,295	262,799	0	0	0	179,251	0	0	0	0	0		
<b>Total Member Ambulatory Encounters for Year:</b>															
7. Physician .....	1,709,851	0	0	0	0	0	0	0	0	0	0	0	1,709,851		
8. Non-Physician .....	861,818	0	0	0	0	0	0	0	0	0	0	0	861,818		
9. Total	2,571,669	0	0	0	0	0	0	0	0	0	0	0	2,571,669		
10. Hospital Patient Days Incurred	169,753	0	96,327	44,368	0	0	0	27,422	0	0	0	0	1,636		
11. Number of Inpatient Admissions	38,186	0	24,885	7,707	0	0	0	5,131	0	0	0	0	463		
12. Health Premiums Written.....	1,435,214,629	14,906,044	1,126,636,344	92,365,127	0	0	72,427,163	128,879,951	0	0	0	0	0		
13. Life Premiums Direct .....	0	0	0	0	0	0	0	0	0	0	0	0	0		
14. Property/Casualty Premiums Written.....	0	0	0	0	0	0	0	0	0	0	0	0	0		
15. Health Premiums Earned.....	1,442,031,879	14,190,480	1,123,849,103	92,365,127	0	0	73,075,300	138,551,869	0	0	0	0	0		
16. Property/Casualty Premiums Earned.....	0	0	0	0	0	0	0	0	0	0	0	0	0		
17. Amount Paid for Provision of Health Care Services .....	1,282,365,004	12,661,395	1,002,749,535	80,158,369	0	0	66,096,109	120,739,910	(40,314)	0	0	0	0		
18. Amount Incurred for Provision of Health Care Services	1,300,059,561	12,869,271	1,019,212,815	80,140,962	0	0	65,919,008	121,917,505	0	0	0	0	0		

(a) For health business: number of persons insured under PPO managed care products 0 and number of persons under indemnity only products 0

SCHEDULE A - VERIFICATION BETWEEN YEARS

1. Book/adjusted carrying value, December 31, prior year (prior year statement)	4,573,591
2. Increase (decrease) by adjustment:	
2.1 Totals, Part 1, Column 11	(1,007,936)
2.2 Totals, Part 3, Column 7	0
3. Cost of acquired, (Totals, Part 2, Column 6, net of encumbrances (Column 7) and net of additions and permanent improvements (Column 9)	0
4. Cost of additions and permanent improvements:	
4.1 Totals, Part 1, Column 14	325,251
4.2 Totals, Part 3, Column 9	0
5. Total profit (loss) on sales, Part 3, Column 14	0
6. Increase (decrease) by foreign exchange adjustment:	
6.1 Totals, Part 1, Column 12	0
6.2 Totals, Part 3, Column 8	0
7. Amounts received on sales, Part 3, Column 11 and Part 1, Column 13	0
8. Book/adjusted carrying value at end of current period	3,890,907
9. Total valuation allowance	
10. Subtotal (Lines 8 plus 9)	3,890,907
11. Total nonadmitted amounts	2,947,496
12. Statement value, current period (Page 2, real estate lines, Net Admitted Assets column)	943,411

SCHEDULE B - VERIFICATION BETWEEN YEARS

1. Book value/recorded investment excluding accrued interest of mortgages owned, December 31 of prior year	0
2. Amount loaned during year:	
2.1 Actual cost at time of acquisitions	
2.2 Additional investment made after acquisitions	0
3. Accrual of discount and mortgage interest points and commitment fees	
4. Increase (decrease) by adjustment	
5. Total profit (loss) on sale	
6. Amounts paid on account or in full during the year	
7. Amortization of premium	
8. Increase (decrease) by foreign exchange adjustment	
9. Book value/recorded investment excluding accrued interest on mortgages owned at end of current period	0
10. Total valuation allowance	
11. Subtotal (Lines 9 plus 10)	0
12. Total nonadmitted amounts	
13. Statement value of mortgages owned at end of current period (Page 2, mortgage lines, Net Admitted Assets column)	0

SCHEDULE BA - VERIFICATION BETWEEN YEARS

1. Book/adjusted carrying value of long-term invested assets owned, December 31 of prior year	0
2. Cost of acquisitions during year:	
2.1 Actual cost at time of acquisitions	
2.2 Additional investment made after acquisitions	0
3. Accrual of discount	
4. Increase (decrease) by adjustment	
5. Total profit (loss) on sale	
6. Amounts paid on account or in full during the year	
7. Amortization of premium	
8. Increase (decrease) by foreign exchange adjustment	
9. Book/adjusted carrying value of long-term invested assets at end of current period	0
10. Total valuation allowance	
11. Subtotal (Lines 9 plus 10)	0
12. Total nonadmitted amounts	
13. Statement value of long-term invested assets at end of current period (Page 2, Line 7, Column 3)	0

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SCHEDULE D - PART 1A - SECTION 1

Quality and Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Types of Issues and NAIC Designations

Quality Rating per the NAIC Designation	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Col. 6 as a % of Line 10.7	8 Total from Col. 6 Prior Year	9 % From Col. 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed (a)
<b>1. U.S. Governments, Schedules D &amp; DA (Group 1)</b>											
1.1 Class 1 .....	13,000,000					13,000,000	100.0	.0	.0	13,000,000	
1.2 Class 2 .....						.0	0.0	.0	0.0		
1.3 Class 3 .....						.0	0.0	.0	0.0		
1.4 Class 4 .....						.0	0.0	.0	0.0		
1.5 Class 5 .....						.0	0.0	.0	0.0		
1.6 Class 6 .....						0	0.0	0	0.0		
1.7 Totals	13,000,000	0	0	0	0	13,000,000	100.0	0	0.0	13,000,000	0
<b>2. All Other Governments, Schedules D &amp; DA (Group 2)</b>											
2.1 Class 1 .....						.0	0.0	.0	0.0		
2.2 Class 2 .....						.0	0.0	.0	0.0		
2.3 Class 3 .....						.0	0.0	.0	0.0		
2.4 Class 4 .....						.0	0.0	.0	0.0		
2.5 Class 5 .....						.0	0.0	.0	0.0		
2.6 Class 6 .....						0	0.0	0	0.0		
2.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
<b>3. States, Territories and Possessions etc., Guaranteed, Schedules D &amp; DA (Group 3)</b>											
3.1 Class 1 .....						.0	0.0	.0	0.0		
3.2 Class 2 .....						.0	0.0	.0	0.0		
3.3 Class 3 .....						.0	0.0	.0	0.0		
3.4 Class 4 .....						.0	0.0	.0	0.0		
3.5 Class 5 .....						.0	0.0	.0	0.0		
3.6 Class 6 .....						0	0.0	0	0.0		
3.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
<b>4. Political Subdivisions of States, Territories and Possessions, Guaranteed, Schedules D &amp; DA (Group 4)</b>											
4.1 Class 1 .....						.0	0.0	.0	0.0		
4.2 Class 2 .....						.0	0.0	.0	0.0		
4.3 Class 3 .....						.0	0.0	.0	0.0		
4.4 Class 4 .....						.0	0.0	.0	0.0		
4.5 Class 5 .....						.0	0.0	.0	0.0		
4.6 Class 6 .....						0	0.0	0	0.0		
4.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
<b>5. Special Revenue &amp; Special Assessment Obligations etc., Non-Guaranteed, Schedules D &amp; DA (Group 5)</b>											
5.1 Class 1 .....						.0	0.0	.0	0.0		
5.2 Class 2 .....						.0	0.0	.0	0.0		
5.3 Class 3 .....						.0	0.0	.0	0.0		
5.4 Class 4 .....						.0	0.0	.0	0.0		
5.5 Class 5 .....						.0	0.0	.0	0.0		
5.6 Class 6 .....						0	0.0	0	0.0		
5.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE  
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SCHEDULE D - PART 1A - SECTION 1 (continued)

Quality and Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Types of Issues and NAIC Designations

Quality Rating per the NAIC Designation	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Col. 6 as a % of Line 10.7	8 Total from Col. 6 Prior Year	9 % From Col. 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed (a)
<b>6. Public Utilities (Unaffiliated), Schedules D &amp; DA (Group 6)</b>											
6.1 Class 1 .....						.0	.0	.0	.0		
6.2 Class 2 .....						.0	.0	.0	.0		
6.3 Class 3 .....						.0	.0	.0	.0		
6.4 Class 4 .....						.0	.0	.0	.0		
6.5 Class 5 .....						.0	.0	.0	.0		
6.6 Class 6 .....						0	0.0	0	0.0		
6.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
<b>7. Industrial &amp; Miscellaneous (Unaffiliated), Schedules D &amp; DA (Group 7)</b>											
7.1 Class 1 .....	.0					.0	0.0	19,935,486	.80.2	.0	
7.2 Class 2 .....						.0	0.0	.0	.0		
7.3 Class 3 .....						.0	0.0	4,912,197	.19.8		
7.4 Class 4 .....						.0	0.0	.0	.0		
7.5 Class 5 .....						.0	0.0	.0	.0		
7.6 Class 6 .....						0	0.0	0	0.0		
7.7 Totals	0	0	0	0	0	0	0.0	24,847,683	100.0	0	0
<b>8. Credit Tenant Loans, Schedules D &amp; DA (Group 8)</b>											
8.1 Class 1 .....						.0	0.0	.0	.0		
8.2 Class 2 .....						.0	0.0	.0	.0		
8.3 Class 3 .....						.0	0.0	.0	.0		
8.4 Class 4 .....						.0	0.0	.0	.0		
8.5 Class 5 .....						.0	0.0	.0	.0		
8.6 Class 6 .....						0	0.0	0	0.0		
8.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
<b>9. Parent, Subsidiaries and Affiliates, Schedules D &amp; DA (Group 9)</b>											
9.1 Class 1 .....						.0	0.0	.0	.0		
9.2 Class 2 .....						.0	0.0	.0	.0		
9.3 Class 3 .....						.0	0.0	.0	.0		
9.4 Class 4 .....						.0	0.0	.0	.0		
9.5 Class 5 .....						.0	0.0	.0	.0		
9.6 Class 6 .....						0	0.0	0	0.0		
9.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE  
Health Alliance Plan of Michigan

SCHEDULE D - PART 1A - SECTION 1 (continued)

Quality and Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Types of Issues and NAIC Designations

Quality Rating per the NAIC Designation	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Col. 6 as a % of Line 10.7	8 Total from Col. 6 Prior Year	9 % From Col. 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed (a)
10. Total Bonds Current Year											
10.1 Class 1 .....	13,000,000	.0	.0	.0	.0	13,000,000	100.0	XXX	XXX	13,000,000	.0
10.2 Class 2 .....	.0	.0	.0	.0	.0	.0	0.0	XXX	XXX	.0	.0
10.3 Class 3 .....	.0	.0	.0	.0	.0	.0	0.0	XXX	XXX	.0	.0
10.4 Class 4 .....	.0	.0	.0	.0	.0	.0	0.0	XXX	XXX	.0	.0
10.5 Class 5 .....	.0	.0	.0	.0	.0	(c) .0	0.0	XXX	XXX	.0	.0
10.6 Class 6 .....	.0	.0	.0	.0	.0	(c) .0	0.0	XXX	XXX	.0	.0
10.7 Totals .....	13,000,000	.0	.0	.0	.0	(b) 13,000,000	100.0	XXX	XXX	13,000,000	.0
10.8 Line 10.7 as a % of Col. 6	100.0	0.0	0.0	0.0	0.0	100.0	XXX	XXX	XXX	100.0	0.0
11. Total Bonds Prior Year											
11.1 Class 1 .....	19,935,486	.0	.0	.0	.0	XXX	XXX	19,935,486	.80.2	19,935,486	.0
11.2 Class 2 .....	.0	.0	.0	.0	.0	XXX	XXX	.0	0.0	.0	.0
11.3 Class 3 .....	.0	1,087,514	.0	3,824,683	.0	XXX	XXX	4,912,197	19.8	4,912,197	.0
11.4 Class 4 .....	.0	.0	.0	.0	.0	XXX	XXX	.0	0.0	.0	.0
11.5 Class 5 .....	.0	.0	.0	.0	.0	XXX	XXX	(c) .0	0.0	.0	.0
11.6 Class 6 .....	.0	.0	.0	.0	.0	XXX	XXX	(c) .0	0.0	.0	.0
11.7 Totals .....	19,935,486	1,087,514	.0	3,824,683	.0	XXX	XXX	(b) 24,847,683	100.0	24,847,683	.0
11.8 Line 11.7 as a % of Col. 8	80.2	4.4	0.0	15.4	0.0	XXX	XXX	100.0	XXX	100.0	0.0
12. Total Publicly Traded Bonds											
12.1 Class 1 .....	13,000,000					13,000,000	100.0	19,935,486	.80.2	13,000,000	XXX
12.2 Class 2 .....						.0	0.0	.0	0.0	.0	XXX
12.3 Class 3 .....						.0	0.0	4,912,197	19.8	.0	XXX
12.4 Class 4 .....						.0	0.0	.0	0.0	.0	XXX
12.5 Class 5 .....						.0	0.0	.0	0.0	.0	XXX
12.6 Class 6 .....						0	0.0	0	0.0	0	XXX
12.7 Totals .....	13,000,000	.0	.0	.0	.0	13,000,000	100.0	24,847,683	100.0	13,000,000	XXX
12.8 Line 12.7 as a % of Col. 6	100.0	0.0	0.0	0.0	0.0	100.0	XXX	XXX	XXX	100.0	XXX
12.9 Line 12.7 as a % of Line 10.7, Col. 6, Section 10	100.0	0.0	0.0	0.0	0.0	100.0	XXX	XXX	XXX	100.0	XXX
13. Total Privately Placed Bonds											
13.1 Class 1 .....						.0	0.0	.0	0.0	XXX	.0
13.2 Class 2 .....						.0	0.0	.0	0.0	XXX	.0
13.3 Class 3 .....						.0	0.0	.0	0.0	XXX	.0
13.4 Class 4 .....						.0	0.0	.0	0.0	XXX	.0
13.5 Class 5 .....						.0	0.0	.0	0.0	XXX	.0
13.6 Class 6 .....						0	0.0	0	0.0	XXX	0
13.7 Totals .....	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	XXX	.0
13.8 Line 13.7 as a % of Col. 6	0.0	0.0	0.0	0.0	0.0	0.0	XXX	XXX	XXX	XXX	0.0
13.9 Line 13.7 as a % of Line 10.7, Col. 6, Section 10	0.0	0.0	0.0	0.0	0.0	0.0	XXX	XXX	XXX	XXX	0.0

(a) Includes \$ ..... freely tradable under SEC Rule 144 or qualified for resale under SEC Rule 144A.  
(b) Includes \$ ..... current year, \$ ..... prior year of bonds with Z designations and \$ ..... , current year, \$ ..... prior year of bonds with Z\* designations. The letter "Z" means the NAIC designation was not assigned by the Securities Valuation Office (SVO) at the date of the statement. "Z\*" means the SVO could not evaluate the obligation because valuation procedures for the security class is under regulatory review.  
(c) Includes \$ ..... current year, \$ ..... prior year of bonds with 5\* designations and \$ ..... , current year, \$ ..... prior year of bonds with 6\* designations. "5\*" means the NAIC designation was assigned by the SVO in reliance on the insurer's certification that the issuer is current in all principal and interest payments. "6\*" means the NAIC designation was assigned by the SVO due to inadequate certification of principal and interest payments.

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SCHEDULE D - PART 1A - SECTION 2

Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Type and Subtype of Issues

Distribution by Type	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Col. 6 as a % of Line 10.7	8 Total from Col 6 Prior Year	9 % From Col. 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed
<b>1. U.S. Governments, Schedules D &amp; DA (Group 1)</b>											
1.1 Issuer Obligations .....	13,000,000					13,000,000	100.0	.0	.0	13,000,000	
1.2 Single Class Mortgage-Backed/Asset-Backed Securities .....						0	0.0	0	0.0		
1.7 Totals	13,000,000	0	0	0	0	13,000,000	100.0	0	0.0	13,000,000	0
<b>2. All Other Governments, Schedules D &amp; DA (Group 2)</b>											
2.1 Issuer Obligations .....						.0	.0	.0	.0		
2.2 Single Class Mortgage-Backed/Asset-Backed Securities .....						.0	.0	.0	.0		
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES											
2.3 Defined .....						.0	.0	.0	.0		
2.4 Other .....						.0	.0	.0	.0		
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET- BACKED SECURITIES											
2.5 Defined .....						.0	.0	.0	.0		
2.6 Other .....						0	0.0	0	0.0		
2.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
<b>3. States, Territories, and Possessions Guaranteed, Schedules D &amp; DA (Group 3)</b>											
3.1 Issuer Obligations .....						.0	.0	.0	.0		
3.2 Single Class Mortgage-Backed/Asset-Backed Securities .....						.0	.0	.0	.0		
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES											
3.3 Defined .....						.0	.0	.0	.0		
3.4 Other .....						.0	.0	.0	.0		
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET- BACKED SECURITIES											
3.5 Defined .....						.0	.0	.0	.0		
3.6 Other .....						0	0.0	0	0.0		
3.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
<b>4. Political Subdivisions of States, Territories and Possessions, Guaranteed, Schedules D &amp; DA (Group 4)</b>											
4.1 Issuer Obligations .....						.0	.0	.0	.0		
4.2 Single Class Mortgage-Backed/Asset-Backed Securities .....						.0	.0	.0	.0		
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES											
4.3 Defined .....						.0	.0	.0	.0		
4.4 Other .....						.0	.0	.0	.0		
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET- BACKED SECURITIES											
4.5 Defined .....						.0	.0	.0	.0		
4.6 Other .....						0	0.0	0	0.0		
4.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
<b>5. Special Revenue &amp; Special Assessment Obligations etc., Non-Guaranteed, Schedules D &amp; DA (Group 5)</b>											
5.1 Issuer Obligations .....						.0	.0	.0	.0		
5.2 Single Class Mortgage-Backed/Asset-Backed Securities .....						.0	.0	.0	.0		
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES											
5.3 Defined .....						.0	.0	.0	.0		
5.4 Other .....						.0	.0	.0	.0		
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET- BACKED SECURITIES											
5.5 Defined .....						.0	.0	.0	.0		
5.6 Other .....						0	0.0	0	0.0		
5.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0

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SCHEDULE D - PART 1A - SECTION 2 (continued)

Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Type and Subtype of Issues

Distribution by Type	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Col. 6 as a % of Line 10.7	8 Total from Col. 6 Prior Year	9 % From Col. 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed
<b>6. Public Utilities (Unaffiliated), Schedules D &amp; DA (Group 6)</b>											
6.1 Issuer Obligations .....						0	0.0	0	0.0		
6.2 Single Class Mortgage-Backed/Asset-Based Securities .....						0	0.0	0	0.0		
MULTI-CLASS RESIDENTIAL MORTGAGE- BACKED SECURITIES											
6.3 Defined .....						0	0.0	0	0.0		
6.4 Other .....						0	0.0	0	0.0		
MULTI-CLASS COMMERCIAL MORTGAGE- BACKED/ASSET-BACKED SECURITIES											
6.5 Defined .....						0	0.0	0	0.0		
6.6 Other .....						0	0.0	0	0.0		
6.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
<b>7. Industrial &amp; Miscellaneous (Unaffiliated), Schedules D &amp; DA (Group 7)</b>											
7.1 Issuer Obligations .....	0					0	0.0	24,847,683	100.0	0	
7.2 Single Class Mortgage-Backed/Asset-Based Securities .....						0	0.0	0	0.0		
MULTI-CLASS RESIDENTIAL MORTGAGE- BACKED SECURITIES											
7.3 Defined .....						0	0.0	0	0.0		
7.4 Other .....						0	0.0	0	0.0		
MULTI-CLASS COMMERCIAL MORTGAGE- BACKED/ASSET-BACKED SECURITIES											
7.5 Defined .....						0	0.0	0	0.0		
7.6 Other .....						0	0.0	0	0.0		
7.7 Totals	0	0	0	0	0	0	0.0	24,847,683	100.0	0	0
<b>8. Credit Tenant Loans, Schedules D &amp; DA (Group 8)</b>											
8.1 Issuer Obligations .....						0	0.0	0	0.0		
8.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
<b>9. Parents, Subsidiaries and Affiliates, Schedules D &amp; DA (Group 9)</b>											
9.1 Issuer Obligations .....						0	0.0	0	0.0		
9.2 Single Class Mortgage-Backed/Asset-Based Securities .....						0	0.0	0	0.0		
MULTI-CLASS RESIDENTIAL MORTGAGE- BACKED SECURITIES											
9.3 Defined .....						0	0.0	0	0.0		
9.4 Other .....						0	0.0	0	0.0		
MULTI-CLASS COMMERCIAL MORTGAGE- BACKED/ASSET-BACKED SECURITIES											
9.5 Defined .....						0	0.0	0	0.0		
9.6 Other .....						0	0.0	0	0.0		
9.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0



ANNUAL STATEMENT FOR THE YEAR 2004 OF THE  
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SCHEDULE D - PART 1A - SECTION 2 (continued)

Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Type and Subtype of Issues

Distribution by Type	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Col. 6 as a % of Line 10.7	8 Total From Col. 6 Prior Year	9 % From Col. 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed
10. Total Bonds Current Year											
10.1 Issuer Obligations	13,000,000	.0	.0	.0	.0	13,000,000	100.0	XXX	XXX	13,000,000	.0
10.2 Single Class Mortgage-Backed/Asset-Backed Securities	.0	.0	.0	.0	.0	.0	.0	XXX	XXX	.0	.0
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES											
10.3 Defined	.0	.0	.0	.0	.0	.0	.0	XXX	XXX	.0	.0
10.4 Other	.0	.0	.0	.0	.0	.0	.0	XXX	XXX	.0	.0
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES											
10.5 Defined	.0	.0	.0	.0	.0	.0	.0	XXX	XXX	.0	.0
10.6 Other	.0	.0	.0	.0	.0	.0	.0	XXX	XXX	.0	.0
10.7 Totals	13,000,000	.0	.0	.0	.0	13,000,000	100.0	XXX	XXX	13,000,000	.0
10.8 Line 10.7 as a % of Col. 6	100.0	0.0	0.0	0.0	0.0	100.0	XXX	XXX	XXX	100.0	0.0
11. Total Bonds Prior Year											
11.1 Issuer Obligations	19,935,486	1,087,514	.0	3,824,683	.0	XXX	XXX	24,847,683	100.0	24,847,683	.0
11.2 Single Class Mortgage-Backed/Asset-Backed Securities	.0	.0	.0	.0	.0	XXX	XXX	.0	.0	.0	.0
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES											
11.3 Defined	.0	.0	.0	.0	.0	XXX	XXX	.0	.0	.0	.0
11.4 Other	.0	.0	.0	.0	.0	XXX	XXX	.0	.0	.0	.0
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES											
11.5 Defined	.0	.0	.0	.0	.0	XXX	XXX	.0	.0	.0	.0
11.6 Other	.0	.0	.0	.0	.0	XXX	XXX	.0	.0	.0	.0
11.7 Totals	19,935,486	1,087,514	.0	3,824,683	.0	XXX	XXX	24,847,683	100.0	24,847,683	.0
11.8 Line 11.7 as a % of Col. 8	80.2	4.4	0.0	15.4	0.0	XXX	XXX	100.0	XXX	100.0	0.0
12. Total Publicly Traded Bonds											
12.1 Issuer Obligations	13,000,000					13,000,000	100.0	24,847,683	100.0	13,000,000	XXX
12.2 Single Class Mortgage-Backed/Asset-Backed Securities						.0	.0	.0	.0	.0	XXX
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES											
12.3 Defined						.0	.0	.0	.0	.0	XXX
12.4 Other						.0	.0	.0	.0	.0	XXX
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES											
12.5 Defined						.0	.0	.0	.0	.0	XXX
12.6 Other						.0	.0	.0	.0	.0	XXX
12.7 Totals	13,000,000	.0	.0	.0	.0	13,000,000	100.0	24,847,683	100.0	13,000,000	XXX
12.8 Line 12.7 as a % of Col. 6	100.0	.0	.0	.0	.0	100.0	XXX	XXX	XXX	100.0	XXX
12.9 Line 12.7 as a % of Line 10.7, Col. 6, Section 10	100.0	0.0	0.0	0.0	0.0	100.0	XXX	XXX	XXX	100.0	XXX
13. Total Privately Placed Bonds											
13.1 Issuer Obligations						.0	.0	.0	.0	XXX	.0
13.2 Single Class Mortgage-Backed/Asset-Backed Securities						.0	.0	.0	.0	XXX	.0
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES											
13.3 Defined						.0	.0	.0	.0	XXX	.0
13.4 Other						.0	.0	.0	.0	XXX	.0
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES											
13.5 Defined						.0	.0	.0	.0	XXX	.0
13.6 Other						.0	.0	.0	.0	XXX	.0
13.7 Totals	.0	.0	.0	.0	.0	.0	.0	.0	.0	XXX	.0
13.8 Line 13.7 as a % of Col. 6	.0	.0	.0	.0	.0	.0	XXX	XXX	XXX	XXX	.0
13.9 Line 13.7 as a % of Line 10.7, Col. 6, Section 10	0.0	0.0	0.0	0.0	0.0	0.0	XXX	XXX	XXX	XXX	0.0

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SCHEDULE DA - PART 2

Verification of SHORT-TERM INVESTMENTS Between Years					
	1	2	3	4	5
	Total	Bonds	Mortgage Loans	Other Short-term Investment Assets(a)	Investments in Parent, Subsidiaries and Affiliates
1. Book/adjusted carrying value, prior year .....	19,935,486	19,935,486	0	0	0
2. Cost of short-term investments acquired .....	42,909,310	42,909,310			
3. Increase (decrease) by adjustment .....	0				
4. Increase (decrease) by foreign exchange adjustment .....	0				
5. Total profit (loss) on disposal of short-term investments .....	0				
6. Consideration received on disposal of short-term investments .....	49,844,796	49,844,796			
7. Book/adjusted carrying value, current year .....	13,000,000	13,000,000	0	0	0
8. Total valuation allowance .....	0				
9. Subtotal (Lines 7 plus 8) .....	13,000,000	13,000,000	0	0	0
10. Total nonadmitted amounts .....	0				
11. Statement value (Lines 9 minus 10) .....	13,000,000	13,000,000	0	0	0
12. Income collected during year .....	258,321	258,321			
13. Income earned during year	244,484	244,484			

(a) Indicate the category of such assets, for example, joint ventures, transportation equipment: .....

Schedule DB - Part A - VBY

NONE

Schedule DB - Part B - VBY

NONE

Schedule DB - Part C - VBY

NONE

Schedule DB - Part D - VBY

NONE

Schedule DB - Part E - VBY

NONE

Schedule DB - Part F - Section 1

NONE

Schedule DB - Part F - Section 2

NONE

Schedule S - Part 1 - Section 2

NONE

Schedule S - Part 2

NONE

Schedule S - Part 3 - Section 2

NONE

Schedule S - Part 4

NONE

Schedule S - Part 5

NONE

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE  
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SCHEDULE S-PART 6  
Restatement of Balance Sheet to Identify Net Credit For Ceded Reinsurance

	1	2	3
	As Reported (net of ceded)	Restatement Adjustments	Restated (gross of ceded)
ASSETS (Page 2, Col. 3)			
1. Cash and invested assets (Line 10) .....	334,995,159		334,995,159
2. Accident and health premiums due and unpaid (Line 12).....	13,655,985		13,655,985
3. Amounts recoverable from reinsurers (Line 13.1).....	0		0
4. Net credit for ceded reinsurance.....	XXX	0	0
5. All other admitted assets (Balance).....	7,434,032		7,434,032
6. Total assets (Line 26)	356,085,177	0	356,085,177
LIABILITIES, CAPITAL AND SURPLUS (Page 3)			
7. Claims unpaid (Line 1).....	98,301,462	0	98,301,462
8. Accrued medical incentive pool and bonus payments (Line 2).....	3,027,572		3,027,572
9. Premiums received in advance (Line 8).....	17,449,507		17,449,507
10. Reinsurance in unauthorized companies (Line 18).....	0		0
11. All other liabilities (Balance).....	20,818,916		20,818,916
12. Total liabilities (Line 22).....	139,597,457	0	139,597,457
13. Total capital and surplus (Line 30).....	216,487,720	XXX	216,487,720
14. Total liabilities, capital and surplus (Line 31)	356,085,177	0	356,085,177
NET CREDIT FOR CEDED REINSURANCE			
15. Claims unpaid.....	0		
16. Accrued medical incentive pool.....	0		
17. Premiums received in advance .....	0		
18. Reinsurance recoverable on paid losses .....	0		
19. Other ceded reinsurance recoverables .....	0		
20. Total ceded reinsurance recoverables .....	0		
21. Premiums receivable .....	0		
22. Unauthorized reinsurance .....	0		
23. Other ceded reinsurance payables/offsets .....	0		
24. Total ceded reinsurance payable/offsets .....	0		
25. Total net credit for ceded reinsurance	0		

## ANNUAL STATEMENT FOR THE YEAR 2004 OF THE Health Alliance Plan of Michigan

**SCHEDULE Y (continued)**

**PART 2 - SUMMARY OF INSURER'S TRANSACTIONS WITH ANY AFFILIATES**

[illegible]

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE  
Health Alliance Plan of Michigan

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your annual statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of **NO** to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not filed for whatever reason enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

MARCH FILING

1.	Will the Medicare Supplement Insurance Experience Exhibit be filed with the state of domicile and the NAIC by March 1?.....	YES	[ X ]	NO	[ ]
2.	Will the Supplemental Compensation Exhibit be filed with the state of domicile by March 1?.....	YES	[ X ]	NO	[ ]
3.	Will an actuarial certification be filed by March 1?.....	YES	[ X ]	NO	[ ]
4.	Will the Risk-based Capital Report be filed with the NAIC by March 1?.....	YES	[ X ]	NO	[ ]
5.	Will the Risk-based Capital Report be filed with the state of domicile, if required by March 1?.....	YES	[ X ]	NO	[ ]
6.	Will the Life Supplement be filed the state of domicile and the NAIC by March 1? .....	YES	[ ]	NO	[ X ]
7.	Will the Property/Casualty Supplement be filed the state of domicile and the NAIC by March 1?.....	YES	[ ]	NO	[ X ]

APRIL FILING

8.	Will Management's Discussion and Analysis be filed by April 1?.....	YES	[ X ]	NO	[ ]
9.	Will the Long-Term Care Experience Reporting Forms be filed with the state of domicile by April 1?.....	YES	[ ]	NO	[ X ]
10.	Will the Investment Risks Interrogatories be filed by April 1? .....	YES	[ X ]	NO	[ ]


JUNE FILING

11.	Will an audited financial report be filed by June 1 with the state of domicile? .....	YES	[ X ]	NO	[ ]
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EXPLANATIONS:

6. The Company does not write Life business.
7. The Company has no Property/Casualty business.
9. The Company does not write Long-Term Care business.

BAR CODE:

6.	 9 5 8 4 4 2 0 0 4 2 0 5 0 0 0 0 0
7.	 9 5 8 4 4 2 0 0 4 2 0 7 0 0 0 0 0
9.	 9 5 8 4 4 2 0 0 4 3 3 0 5 8 0 0 0

OVERFLOW PAGE FOR WRITE-INS

M004 Additional Aggregate Lines for Page 04 Line 14.  
\*REVEX1

1404.	Mental Health and Substance Abuse.....		38,491,314	39,245,899
1405.	Other.....		55,918,754	26,046,287
1497.	Summary of remaining write-ins for Line 14 from Page 04	0	94,410,068	65,292,186



ANNUAL STATEMENT FOR THE YEAR 2004 OF THE  
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OVERFLOW PAGE FOR WRITE-INS

--	--	--	--	--	--	--	--	--	--	--	--	--	--

M007 Additional Aggregate Lines for Page 07 Line 13.

\*ANAOPS

1304. Mental Health and Substance Abuse.....	38,491,314	31,232,016	1,231,996			1,860,242	4,167,060						
1305. Other.....	55,918,754	45,372,714	1,789,799			2,702,490	6,053,751						
1397. Summary of remaining write-ins for Line 13 from page 7	94,410,068	76,604,730	3,021,795	0	0	4,562,732	10,220,811	0	0	0	0	0	



**SUPPLEMENTAL EXHIBIT FOR THE YEAR 2004 OF THE  
Health Alliance Plan of Michigan**

# MEDICARE SUPPLEMENT INSURANCE EXPERIENCE EXHIBIT

## FOR THE STATE OF Michigan

NAIC Group Code	1311	NAIC Company Code	95844
Address (City, State and Zip Code)	Detroit, Michigan 48202		
Person Completing This Exhibit	Diana Ronan		
Title	Assistant VP Financial Strategy and Reporting	Telephone Number	248-443-1093

[illegible]

## GENERAL INTERROGATORIES

1. If response in Column 1 is no, give complete and full details: .....
  2. Claims address and contact person provided to the Secretary of Health and Human Services as required by 42 U.S.C. 1395ss(c)(3)(E) for this state.
    - 2.1 Address: 2850 West Grand Boulevard Detroit, MI 48202 .....
    - 2.2 Contact Person and Phone Number: Donald Kiefiuk 248-443-2038 .....
  3. Billing address and contact person for user fees established under 41 U.S.C. 1395u(h)(3)(B).
    - 3.1 Address: 2850 West Grand Boulevard Detroit, MI 48202 .....
    - 3.2 Contact Person and Phone Number: Tamara VonKnorring 248-443-1154 .....
  4. Explain any policies identified above as policy type "O". .....